

TO: Distribution

DATE: December 14, 1998

FROM: Market Information/Bruce Neidle

SUBJECT: Weekly Shipment Performance w/e 12/11/98

Although higher than week-ago, industry volume of 6.4 billion units continued to reflect inventory reduction following the late November manufacturer list price increases.

PM's weekly share was higher than week ago and recent averages. This likely reflects shipments in support of the Marlboro/Basic Holiday program currently at retail and some inventory depletion of competitive promotional products shipped in prior weeks. In addition, PM's performance benefited from shipments in advance of the January Basic and Marlboro Menthol product promotions. PM's shares were SOI: 51.0%, Premium SOC: 58.4% and Discount SOC: 32.4%.

Discount category share for the week was 28.5%, down -0.9pp vs. prior week.

PM-USA December Performance							
Volume					Share		
			ACTUAL			ACTUAL	
	W/E	PROJ	ACTUAL	VS. PROJ	PROJ	ACTUAL	VS. PROJ
4 Days	12/4/98	2,292	2,224	(68)	50.6%	49.8%	(0.8)
	12/11	2,900	3,245	345	51.0%	51.0%	0.0
	12/18	3,100			50.1%		
	12/25	2,900			49.9%		
(1 Day)	12/28	3,126			49.8%		
	MTD	5,192	5,469	277	50.8%	50.5%	(0.3)
	December	14,318			50.3%		
All numbers are rounded.							

Variance Explanation

w/e 12/11

PM's volume for the week was above projection mainly due to greater than expected promotional shipments.

4 Days ending 12/4

For the four days PM's volume was close to projection. PM's share was lower than projected likely due to less than anticipated competitive promotional payback.

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